GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:289
ANSWERED ON:06.07.2004
SCARCITY OF COAL TO STEEL PLANTS
Majhi Shri Parsuram

Will the Minister of STEEL be pleased to state:

(a) whether the Government is aware of the problems being faced by the public sector steel plants in the country due to severe scarcity of Coal;

(b) if so, whether the steel plants of Steel Authority of India Limited have also lost production due to scarcity of coking coal;

(c) if so, the details thereof and reasons therefor; and

(d) the steps taken by the Government to ensure the adequate availability of coal to steel plants?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) to (c): Yes Sir. The production at Steel Authority of India Ltd. (SAIL) plants and Rashtriya Ispat Nigam Ltd, (RINL) has been affected due to constraints in the availability of imported coking coal from March, 2004 onwards. It is reported that imported coking coal supplies from 2 major long-term suppliers in Australia were disrupted due to problems in their mines. Apart from this, the production has also been affected due to declining availability of indigenous coking coal from M/s Coal India Ltd.

(d) A high level delegation consisting of officers from SAIL, RINL and the Ministry of Steel visited Australia in February, 2004 for exploring the possibilities for ensuring adequate availability of coking coal for the steel plants. Both the companies have also taken up with Coal India Ltd. for enhancing the supply of coking coal from domestic sources. SAIL and RINL have also been tying up supplies of coking coal with long term and domestic coal suppliers through spot purchases. Apart from this, arrangements have also been made for supply of coking coal from new sources.